Canada British Columbia Asia-Pacific Gateway Corridor Transportation Infrastructure Fund

ANNUAL REPORT 2011/12

Fiscal Year Ended March 31, 2012

October 2012

BRITISH COLUMBIA
Ministry of Transportation and Infrastructure

Transport Canada
Transports Canada

An annual progress report is required under sections 8.3 and 9.5 and Appendix D (Audit Framework) of the CANADA – BRITISH COLUMBIA ASIA-PACIFIC GATEWAY AND CORRIDOR INITIATIVE TRANSPORTATION INFRASTRUCTURE FUND Agreement. This report is used to provide the Management Committee with information regarding the status of projects and to formally track progress to date under the agreement. The report will also likely be translated and posted on Transport Canada's web site for public use.

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General Overview of Results

A general overview of the results accomplished under the Agreement during the fiscal year, including but not limited to a description of the work completed, financial results, environmental issues, any concerns affecting progress of the Program, and any other issues that may affect completing the Program as per this Agreement.

As of the end of the fiscal year 2011/12 (ending March 31, 2012) the status of the 7 projects, Environmental Assessment and Audits were as follows:[1]

Pitt River Bridge and Mary Hill Interchange – This project entails:

- Construction of a new high level-fixed Pitt River Bridge, located between the existing structures to replace the existing swing bridges. The new seven-lane structure will have six through lanes and one auxiliary lane eastbound lane for truck traffic;
- Construction of a new interchange at Mary Hill Bypass and Lougheed Highway to eliminate the existing complex signalized intersection. The interchange is to provide free-flow conditions for all major movements; and,
- Upgrades to the intersection at Kennedy Road and Lougheed Highway to improve access to and from the CP Rail inter-modal yard. The upgrades should be sufficient to allow container truck movements in and out of the inter-modal yard without significant delay.

The approval of the environmental review (CEAA) was given by Transport Canada on July 20, 2006. A total of $180,000,000 has been expended (claimed) against three contracts, as of the end of the 2011/12 fiscal year. There were no claims for the 2011/12 fiscal year.

This project was completed October 7, 2011 with a Schedule G (Affidavit of Completion) submission on November 17, 2011.

South Fraser Perimeter Road Environmental Assessment

The environmental assessment of the proposed South Fraser Perimeter Road (SFPR) is subject to both provincial and federal environmental assessment legislation.

In accordance with the Canada-B.C. Agreement on Environmental Assessment Cooperation, the environmental assessment will be harmonized between both jurisdictions according to the agreement, with each retaining its decision making authority. The SFPR will be added to this contribution agreement at a later date and entails primarily a 40-kilometre, four-lane 80 km/h route along the south side of the Fraser River extending from Deltaport Way in Southwest Delta to 176th Street (Highway 15) and the new Golden Ears Bridge in Surrey/Langley. The SFPR will link primary gateway facilities such as Deltaport, Fraser Surrey Docks, Canadian National Railway's intermodal yard, Canada/US border crossings and the Tsawwassen ferry terminal to Vancouver Island.

A total of $4,000,000 has been expended (claimed) against one contract, as of the end of the 2008/09 fiscal year. There were no claims for the 2009/10 fiscal year as the assessment was completed in preparation for the actual project which is being completed under a corresponding contribution agreement between the Province and Canada. Claims for the 2008/09 fiscal year entailed $608,222.

Simon Fraser Bridge

This project in Prince George entails construction of a new two-lane bridge parallel and upstream of the existing bridge and tying back into the existing Queensway interchange on the north side of the Fraser River and Highway 97 on the south side. The existing bridge will require rehabilitation in the future but the rehabilitation of the existing structure is not included under this contribution agreement. The approval of the environmental review (CEAA) was given by Transport Canada on October 4, 2007. A total of $ 32,144,635 has been expended against 12 contracts, as of the end of the 2009/10 fiscal year. Claims for the 2009/10 fiscal year entailed $9,624,935.

The project was completed on November 30, 2009 with a Schedule G (Affidavit of Completion) submission to Transport Canada on December 16, 2009.

1. It should be noted that the costs and expenditures referenced in this document relate to eligible and shareable costs between Transport Canada and the Province, unless otherwise noted. For instance, the total cost of the Pitt River Bridge project is estimated at $198 million but only $180 million is eligible for cost-sharing.

Highway 16: Silver Road to McBride Timber Road Passing Lane

The current scope of the project includes the construction of two kilometres of eastbound passing lane and shoulder widening; westbound left-turn lane at Silver/Sweden Road; eastbound and westbound left-turn lanes and right-turn deceleration lanes at McBride Timber Road; and additional intersection lighting. The approval of the environmental review (CEAA) was given by Transport Canada on April 4, 2008. A total of $2,100,000 has been expended (claimed) against one contract, as of the end of the 2008/09 fiscal year. Claims for the 2008/09 fiscal year entailed $2,100,000. This project was completed September 30, 2008 with a Schedule G (Affidavit of Completion) submission on November 5, 2008. There were no claims against this project in the 2009/10 fiscal year.

Highway 1: Hilltop to Balmoral

This project entails four-lane, undivided, standard highway with improved geometry, frontage roads to provide safe access to adjacent properties, and a mixture of new grade separated intersections and upgrades to the existing at-grade intersections with separate turning lanes for all movements. The proposed upgrade will connect with the recently upgraded section of highway between Balmoral Road and Ford Road. A total of $14,269,880.95 has been expended (claimed) against 11 contracts, as of the end of the 2011/12 fiscal year. Claims for the 2011/12 fiscal year entailed $4,237,085. This project was completed October 7, 2011 with a Schedule G (Affidavit of Completion) submission on November 15, 2011.

Highway 97: Wright Station Curves

This project located between 100 Mile House and Williams Lake affects 4.6 kilometres of existing two- and three-lane rural arterial highway. The proposed project is limited to four-laning the 3.5 kilometres middle and south sections (total 3.9 kilometres of new construction). A total of $13,815,364 has been expended (claimed) against one contract, as of the end of the 2011/12 fiscal year. There were no claims for the 2011/12 fiscal year.

This project was completed the summer of 2011 with a Schedule G (Affidavit of Completion) submission on August 30, 2011.

41B Street Overpass at Deltaport Way Project

This project includes the replacement of the existing at-grade-crossing at 41B Street with a new two-lane overpass crossing Deltaport Way and the Roberts Bank Rail Corridor. The project will also include a connection from 41B Street to Deltaport Way on the north side. A total of $5,000,000 has been expended (claimed) against five contracts, as of the end of the 2011/12 fiscal year. Claims for the 2011/12 fiscal year entailed $1,799,170.

This project was completed November 17, 2011 with a Schedule G (Affidavit of Completion) submission on December 6, 2011.

Overall, as of the end of the fiscal year 2011/12, 33 contracts had been established on the on-line Surface Infrastructure System (SIS) administration system for a total cost of $251,500,000 out of a total SIS-active sharable cost (across seven projects, audits and environmental assessments) of $251,500,000 (100% of SIS-active sharable cost). A total of $251,329,879 has been expended against these 33 contracts (99.93% of the existing value of the 33 contracts). There was $6,036,255 claimed in the 2011/12 fiscal year.

It should be noted that in the fiscal year 2007/08 the contribution agreement was expanded to include the Simon Fraser Bridge project. Three additional projects (Highway 16: Silver Road to McBride Timber Lake Road; Highway 1: Hilltop to Balmoral; and Highway 97: Wright Station Curves) were added in the 2008/09 fiscal year. Also, one additional project, 41B Street Overpass at Deltaport Way, was added after the formal end of the 2008/09 fiscal year. Due to efficiencies of construction and delivery by the Province, there is currently $2,000,000 of unallocated funding in the Program. **As of the end of the 2011/12 fiscal year there are discussions to moving these unallocated funds to a Highway 10: Mufford/64th Avenue improvement project, in the Lower Mainland. As per the minutes referenced in this report, the contribution agreement between the Province and Federal Government would be amended accordingly.**

2 After the end of the 2007/08 fiscal year, three additional projects were added to the original three and thus the total shareable costs as of July 2008 total $246,500,000. After the end of the 2008/09 fiscal year, one additional project was added and thus the total shareable costs as of July 2009 amount to $253,500,000.

Date, Location and Minutes of Official Management Committee Meetings

The following minutes were approved by the Management Committee Co-Chairs at the June 21, 2012 Meeting.

MEETING MINUTES
Canada-British Columbia APGCTIF
Management Committee Meeting #8
Victoria, BC
Date: November 15, 2011
Time: 10:00 a.m. – 10:30 a.m. (PST)

In Attendance:

Transport Canada:

Manon Baril (federal co-chair)
Mark Thompson
Hamid Mohmand

BC Ministry of Transportation:

David Marr (provincial co-chair)
Avi Ickovich
Kari McKeel

1.0 Opening Remarks

2.0 Administrative Details

2.1 Note Taker

- Decision: Mark Thompson will be note taker for this meeting.

2.2 Approval of Meeting Minutes

- Decision: the minutes for the February 16, 2011 meeting are approved.

3.0 Program Management

3.1 Status of request to transfer funds between MPB projects:

- Discussion: Since the previous meeting, the request to transfer funds between Mountain Pine Beetle projects has been approved. The transfer of funds was reflected in schedule B cash flow revision 14 approved in March 2011.

3.2 Schedule B Updates

- Discussion: Schedule B is currently up to date.

3.3 Potential Media Event

- Discussion: Completion of the 41B street grade separation project may provide an opportunity for a media event.

3.4 Solemn Declarations

- Discussion: The Pitt River Bridge project was completed in December 2010. 10% holdback is pending a solemn declaration. BCMOT indicated that the completed form should be available by the end of the week.

4.0 Status of projects

4.1 Project Update

- Discussion: BCMOT provided an update on all projects.

Pitt River Bridge/Maryhill Interchange

- Project complete.
- Schedule G with Chief Engineer for signature; expected by end of week.

Highway 97 Wright Station Curves

- Project complete.
- Preparation of as-built drawings.

Highway 1 Hilltop to Balmoral

- Project complete.
- Opening event occurred on November 10.

41B Street Overpass

- Only paving of deck and finishing works remain.
- Opening event pending.

Highway 10: Mufford 64th Avenue

- Background information for CEAA screening report assembled.
- ALC application developed and ready for submission.

- Property acquisition process to begin once ALC approval is received.
- Site investigations for geotechnical and archaeology completed.
- Preliminary engineering on preferred option undertaken.
- Open houses held.

4.2 Potential Risks

- No significant risks were identified.

5.0 Other Items

5.1 Amendment to add the Hwy 10: Mufford/64th Avenue (RBRC) project

- Discussion: BCMOT indicated that they are prepared to amend the agreement to include the project. TC has a draft amendment ready that can be circulated for comment.

5.2 Program Extension

- Discussion: BCMOT has indicated that a program extension would be necessary prior to amending the agreement to include the Mufford/64th Avenue project as it will not be completed by March 31, 2014.

6.0 Next Management Committee Meeting

- Next meeting to be scheduled for Spring 2012.

Schedule "B" Revisions

Please refer to Table 1 outlining the evolution of Schedule B during the fiscal year. Table 2 (Statement of Changes) calculates the cash flow and budget changes across revisions.

Revision 15

April 1, 2011 – This is the last revision of the 2010/11 fiscal year and is provided for the sake of continuity.

Revision 16

July 4, 2011 – This revision entails the following change:

- Due to efficiency of delivery, the cost of the 41B Overpass at Deltaport Way Project was $2,000,000 lower than anticipated and thus the program sharable cost declined to $251,500,000. It is currently the expectation that this surplus will be transferred to a new project: Highway 10 Mufford/64th Avenue Improvement Project.

Revision 17

July 26, 2012 – This revision entails the following change:

- As the Hilltop to Balmoral Project was completed, the final cash flows were finalized with $170,119 transferred from the 2011/12 fiscal year to the 2012/13 fiscal year.

Table 1

Schedule B During the Fiscal Year 2010/11 (as of March 21, 2012)

	Project	Estimated Project Cost	Sharable Project Cost	Agreement Contribution		Breakdown of Expenditures							
				Federal	Provincial	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	Future
Revision #15	Pitt River Bridge and Mary Hill Interchange	$ 198,000,000	$ 180,000,000	$ 90,000,000	$ 90,000,000	$ 16,231,779	$ 73,034,324	$ 53,990,074	$ 35,394,344	$ 1,377,482	$ -	$ -	$ -
01-Apr-11	South Fraser Perimeter Road Environmental Assessment	4,000,000	4,000,000	2,000,000	2,000,000	566,225	2,825,553	608,222	-	-	-	-	-
(Last Revision of 2010/11)	Simon Fraser Bridge	42,000,000	32,144,636	16,072,318	16,072,318	-	3,625,807	18,894,781	9,624,044	-	-	-	-
	Silver Road to McBride Timber Road Passing Lane	3,400,000	2,100,000	1,050,000	1,050,000	-	-	2,100,000	-	-	-	-	-
	Hilltop to Balmoral	20,000,000	14,440,000	7,220,000	7,220,000	-	-	938,933	1,481,896	7,561,965	4,407,204	-	-
	Wright Station Curves	19,200,000	13,815,364	6,907,682	6,907,682	-	-	1,682,259	5,231,559	6,901,546	-	-	-
	416 Overpass at Deltaport Way	24,000,000	7,000,000	3,500,000	3,500,000	-	-	-	505,648	2,695,182	1,799,170	2,000,000	-
	Total	$ 310,600,000	$ 253,500,000	$ 126,750,000	$ 126,750,000	$ 16,800,000	$ 79,455,684	$ 78,264,272	$ 52,237,493	$ 18,536,175	$ 6,206,374	$ 2,000,000	$ -
Revision #16	Pitt River Bridge and Mary Hill Interchange	$ 198,000,000	$ 180,000,000	$ 90,000,000	$ 90,000,000	$ 16,231,779	$ 73,034,324	$ 53,990,074	$ 35,394,344	$ 1,377,482	$ -	$ -	$ -
04-Jul-11	South Fraser Perimeter Road Environmental Assessment	4,000,000	4,000,000	2,000,000	2,000,000	566,225	2,825,553	608,222	-	-	-	-	-
	Simon Fraser Bridge	42,000,000	32,144,636	16,072,318	16,072,318	-	3,625,807	18,894,781	9,624,044	-	-	-	-
	Silver Road to McBride Timber Road Passing Lane	3,400,000	2,100,000	1,050,000	1,050,000	-	-	2,100,000	-	-	-	-	-
	Hilltop to Balmoral	20,000,000	14,440,000	7,220,000	7,220,000	-	-	938,933	1,481,896	7,561,965	4,407,204	-	-
	Wright Station Curves	19,200,000	13,815,364	6,907,682	6,907,682	-	-	1,682,259	5,231,559	6,901,546	-	-	-
	416 Overpass at Deltaport Way	24,000,000	5,000,000	2,500,000	2,500,000	-	-	-	505,648	2,695,182	1,799,170	-	-
	Total	$ 310,600,000	$ 251,500,000	$ 125,750,000	$ 125,750,000	$ 16,800,000	$ 79,455,684	$ 78,264,272	$ 52,237,493	$ 18,536,175	$ 6,206,374	$ -	$ -
Revision #17	Pitt River Bridge and Mary Hill Interchange	$ 198,000,000	$ 180,000,000	$ 90,000,000	$ 90,000,000	$ 16,231,779	$ 73,034,324	$ 53,990,074	$ 35,394,344	$ 1,377,482	$ -	$ -	$ -
26-Jul-12	South Fraser Perimeter Road Environmental Assessment	4,000,000	4,000,000	2,000,000	2,000,000	566,225	2,825,553	608,222	-	-	-	-	-
	Simon Fraser Bridge	42,000,000	32,144,636	16,072,318	16,072,318	-	3,625,807	18,894,781	9,624,044	-	-	-	-
	Silver Road to McBride Timber Road Passing Lane	3,400,000	2,100,000	1,050,000	1,050,000	-	-	2,100,000	-	-	-	-	-
	Hilltop to Balmoral	20,000,000	14,440,000	7,220,000	7,220,000	-	-	938,933	1,481,896	7,561,965	4,257,085	170,119	-
	Wright Station Curves	19,200,000	13,815,364	6,907,682	6,907,682	-	-	1,682,259	5,231,559	6,901,546	-	-	-
	416 Overpass at Deltaport Way	24,000,000	5,000,000	2,500,000	2,500,000	-	-	-	505,648	2,695,182	1,799,170	-	-
	Total	$ 310,600,000	$ 251,500,000	$ 125,750,000	$ 125,750,000	$ 16,800,000	$ 79,455,684	$ 78,264,272	$ 52,237,493	$ 18,536,175	$ 6,036,255	$ 170,119	$ -

Statement of Changes for Schedule B During the Fiscal Year 2010/11 (as of March 21, 2011)

Table 2

	Project	Estimated Project Cost	Sharable Project Cost	Agreement Contribution		Breakdown of Expenditures							
				Federal	Provincial	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	Future
Revision #15 to **Revision #16**	Pitt River Bridge and Mary Hill Interchange	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	–	–	–	–	–	–	–	–	–	–	–	–
	Simon Fraser Bridge	–	–	–	–	–	–	–	–	–	–	–	–
	Silver Road to McBride Timber Road Passing Lane	–	–	–	–	–	–	–	–	–	–	–	–
	Hilltop to Belmont	–	–	–	–	–	–	–	–	–	–	–	–
	Wright Station Curves	–	–	–	–	–	–	–	–	–	–	–	–
	416 Overpass at Delta port Way	–	$ (2,000,000)	$ (1,000,000)	$ (1,000,000)	–	–	–	–	–	–	$ (2,000,000)	–
	Total	$ –	$ (2,000,000)	$ (1,000,000)	$ (1,000,000)	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Revision #16 to **Revision #17**	Pitt River Bridge and Mary Hill Interchange	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
	South Fraser Perimeter Road Environmental Assessment	–	–	–	–	–	–	–	–	–	–	–	–
	Simon Fraser Bridge	–	–	–	–	–	–	–	–	–	–	–	–
	Silver Road to McBride Timber Road Passing Lane	–	–	–	–	–	–	–	–	–	–	–	–
	Hilltop to Belmont	–	–	–	–	–	–	–	–	–	(170,119)	170,119	–
	Wright Station Curves	–	–	–	–	–	–	–	–	–	–	–	–
	416 Overpass at Delta port Way	–	–	–	–	–	–	–	–	–	–	–	–
	Total	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ (170,119)	$ 170,119	$ –

PROJECT UPDATES

Information on contracts started/completed and estimated completion of contracts is addressed more extensively in a subsequent section of the report "A YEAR END SUMMARY TABLE OF EXPENDITURES UNDER THE AGREEMENT" (Table 3).

Major milestones include:

Pitt River Bridge and Mary Hill Interchange

- The project was completed and opened to the public in the fall of 2009, with a Schedule G (Affidavit of Completion) submission on November 17, 2011.

Simon Fraser Bridge

- Project In-Service January 1, 2010.

Highway 1 – Hilltop to Balmoral

- This project was completed October 7, 2011, with a Schedule G (Affidavit of Completion) submission on November 15, 2011.

Highway 97: Wright Station Curves

- This project was completed the summer of 2011 with a Schedule G (Affidavit of Completion) submission on August 30, 2011.

41B Street Overpass at Deltaport Way Project

- This project was completed on November 17, 2011 , with a Schedule G (Affidavit of Completion) submission on December 6, 2011.

The following pages of the report entail a series of photographs for the current projects and are meant to provide not only a portrayal of the actual project, but also a broader geographic and topographical context, and as such some photographs are overviews.

Project Overview: Pitt River Bridge and Mary Hill Interchange

The project was completed and opened to the public in the fall of 2009. The following is a list of major milestones for the 2010/11 fiscal year with a couple of milestones in the following fiscal year.

Status – The project is complete.

Status of demolition – Demolition of previous structure is complete.

Affidavit – This project was completed October 7, 2011 with a Schedule G (Affidavit of Completion) submission on November 17, 2011.

Final Completion – The project's Completion Certificate was issued in the summer of 2011.

The Provincial Gateway Program has an ongoing community relations program to ensure that residents, municipalities and other key stakeholders are well informed and have their inquires addressed in an effective, timely way. As part of the program we will be distributing Community

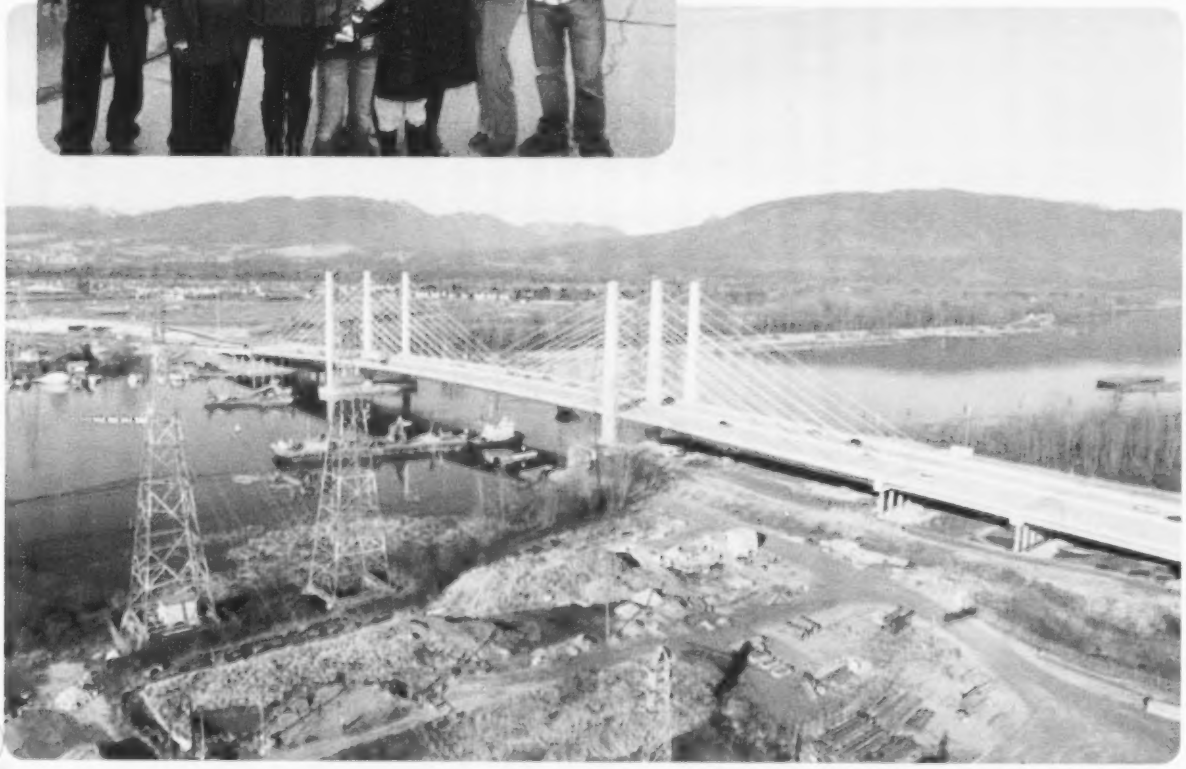
Updates on a regular basis as well as attending community events in local municipalities. The following link provides further information that was continuously updated and was available to the public in the period between the publication of the requisite Annual Reports and Audits on this subject of public consultation:

http://www.th.gov.bc.ca/gateway/prb-maryhill/commnty_rltns.htm

The following link provides further information that was continuously updated for the public in the period between the publication of the requisite Annual Reports and Audits with regard to progress and milestones achieved:

http://www.th.gov.bc.ca/gateway/prb-maryhill/photo_gallery.htm

The following photographs are of the project nearing completion and the completed project.



Project Overview: South Fraser Perimeter Road Environmental Assessment

The Environmental Assessment Certificate allowed the project team to move forward with contractor selection, preliminary and final design and construction of South Fraser Perimeter Road, which began in the 2008/2009 fiscal year. Details about this project can be found in the corresponding Annual Report and Audit:

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South Fraser Perimeter Road
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Environmental management plans to protect the environment during construction and operation were developed and put in place prior to construction.

Project Overview: Simon Fraser Bridge

- The Schedule G (Affidavit of Completion) was submitted to Transport Canada in December 2009.
- Completed the bridge concrete deck, utilities placements and electrical by November 2009.
- Completed the bridge approach grading, paving and electrical by November 2009.
- Project In-Service January 1, 2010.

Project Overview: Highway 16: Silver Road to McBride Timber Road Passing Lane

The environmental assessment, a prerequisite for tendering and subsequent construction (under the terms of the contribution agreement) was approved and signed off on April 4, 2008. Subsequent to this date the following activities were initiated:

- Design completed spring 2008;
- Contract tendered and awarded – April 28 2008;
- Construction commenced June 2008;
- Project completed September 30, 2008; and,
- Schedule G (Affidavit of Completion) submission on November 5, 2008.

The following two pictures present a "Before" and "After" comparison.

Silver Road looking east: October 2006

Silver Road looking east: October 2008

Project Overview: Highway 1– Hilltop Road to Balmoral Road

This project is in the vicinity of the Highway 1: Broderick to Ford and General Improvements project successfully delivered and completed in November 2004 by the Province under the federal-provincial Strategic Highway Infrastructure Program (SHIP).

Scope

- Upgrading 4.8 kilometres of the Trans-Canada Highway, including 3.4 kilometres of 100 km/h four-lane standard.
- Access consolidation.
- Full channelization of major Intersections.
- One interchange.
- Approximately one kilometre of side road improvements.

Accomplishments/Milestones over the last fiscal year (2011/12)

- General feedback from local residents and businesses has been positive.
- Several positive comments regarding improved safety particularly with interchange at Cedar Drive and intersection improvements at Hilltop and Greer Roads.
- This project was completed October 7, 2011 with a Schedule G (Affidavit of Completion) submission on November 15, 2011.

Milestones

- Substantial completion reached October, 2011 .
- Completion event held by MLA George Abbott and MP Colin Mayes (Okanagan Shuswap) on November 10, 2012.

Activities and Issues after 2011/12 Fiscal Year End

- Constructed a widened shoulder at intersection of Fairway Hill Road and west bound off ramp to provide improved turning movement for large delivery trucks in response to concerns raised by business owners; and
- Negotiating final contract quantities and costs with the contractor.

The following are pictures during construction:

The following are photographs of the Grand Opening and after the project was completed and is in service:

Completion event held by MLA George Abbott and MP Colin Mayes (Okanagan Shuswap) on November 10, 2012.

Project Overview: Highway 97: Wright Station Curves

Scope

- Realign 4.2 kilometres of Highway 97, between 100 Mile House and Williams Lake, to a 100 km/h corridor standard, and construct to four lanes in concert with the Cariboo Connector Four-Laning Strategy.
- Access management improvements include turn slots and deceleration lanes at Wright Station and Butler Roads, as well as consolidation of other minor roads and accesses.

Accomplishments/Milestones Over the Last Fiscal Year (2011/12)

- The project was completed the summer of 2011 with a Schedule G (Affidavit of Completion) submission on August 30, 2011.
- Hydro-seeding has been retouched, including in the erosion areas.
- Bison Ranch and BCMoT road closure areas have been finalized.
- Bison Ranch subdivision has been finalized.
- Comment from Cariboo District; "I am not aware of any maintenance concerns or other issues at this project site over the past year; all has functioned well from a performance perspective."

Milestones

- Record drawings complete and distributed.
- Project is complete.

Issues

- Minor erosion mitigation completed by day labour hired equipment.
- Contractor has mitigated curb and pavement deficiencies.

Targets/Milestones Over the Next Six Months After the End of the 2011/12 Fiscal Year

- Final Agricultural Land Commission report to be completed by Paul Christie, Agrologist.

View facing westbound above Butler Road

Wright Station Curves\Hwy 97

41B Street Overpass at Deltaport Way Project

This project was completed November 17, 2011 with a Schedule G (Affidavit of Completion) submission on December 6, 2011.

The 41B Street Overpass project in Delta was delivered by the Ministry of Transportation and Infrastructure four months ahead of schedule and opened on December 2011. The project came in at $15. 3 million and was $8.7 million under budget (original budget of $24 million).

The project provided a new two-lane overpass over Deltaport Way and the BC Rail tracks. The project facilitated the development on Tsawwassen First Nation (TFN) lands, allowed for critical rail expansion. The project has garnered positive feedback from farmers, community and industry.

Milestones

- Project substantially complete as of November 21, 2011.
- Project completion announcement held December 20, 2011.

Outstanding Items/Work Required

- Registration of statutory right-of-way from the TFN to the Ministry of Transportation and Infrastructure, granting the Ministry access to all TFN Lands necessary for operation and maintenance of the 41B overpass.
- Finalization of Ownership and Maintenance Agreement for 41B with the City of Delta.
- Final invoicing to project partners – expected end of the 2012/13 Fiscal Year.

Performance Information

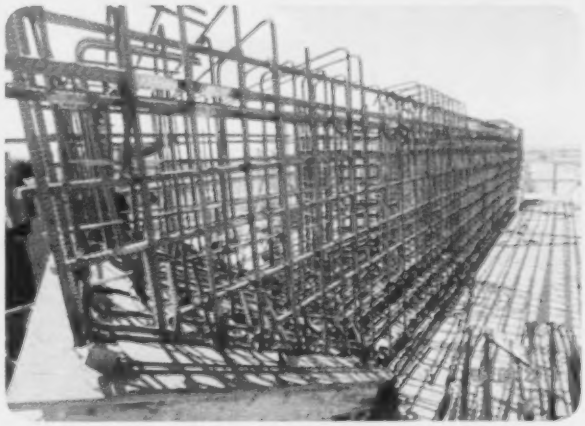
The 41B Street Overpass project was built directly adjacent to TFN Treaty Lands and the south end of 41B bridge approach is actually on Treaty lands. In addition to reducing delays and improving safety, 41B project facilitated economic development opportunities for the TFN.

As Phase 1 of the 41B project, TFN was responsible for construction of a 200-metre, two-lane paved detour road. The TFN – Matcon Joint Venture also completed 300 metres of watermain relocation, removal and replacement of 9,000 cubic metres of topsoil and silt over-burden and associated drainage works. This $1.155 million project provided skilled and general employment opportunities for band members.

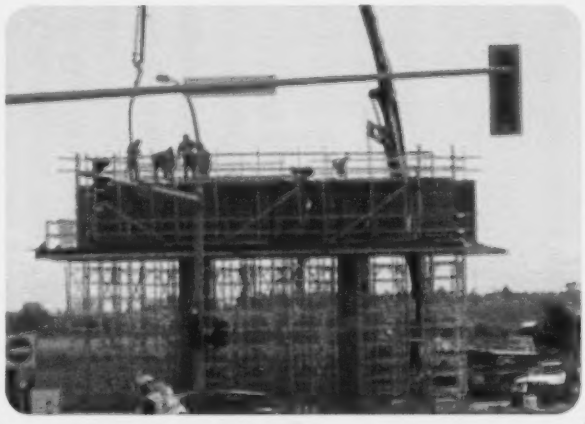
According to project completion news release, the 41B project created approximately 150 construction jobs

The following are photographs of the project during and after construction in the fiscal year 2011/12.

North abutment MSE wall construction

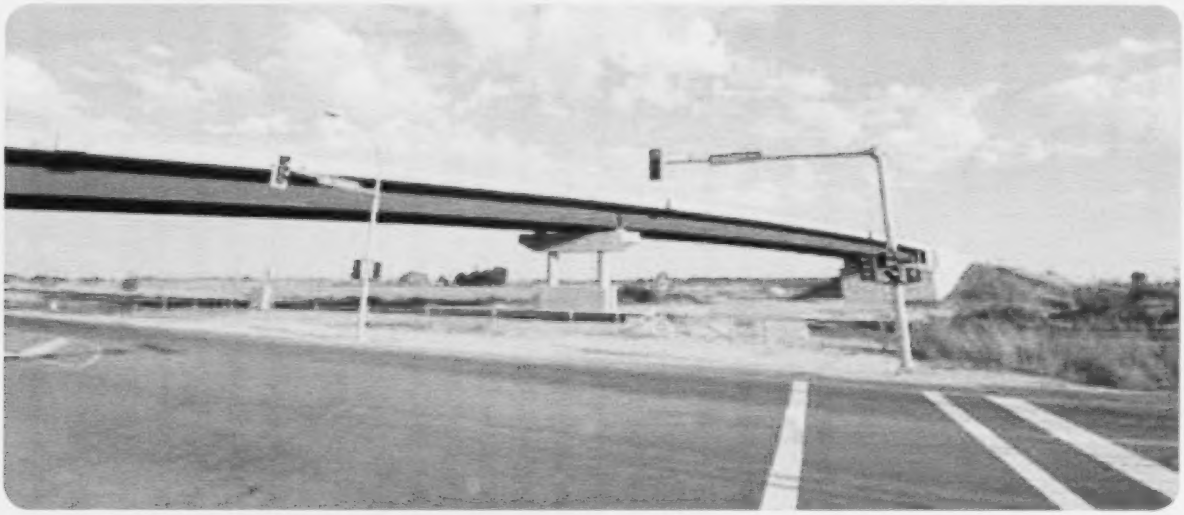


Pier – installation of cap reinforcement



Pier cap concrete pour

Photographs of project in service and completion:



Communication Activities Completed During Fiscal Year

December 20, 2011 – Roberts Bank Corridor upgrades benefit communities and boost Asia-Pacific trade.

TSAWWASSEN – Local commuters, farmers and truckers now have a safer, more reliable route to cross Deltaport Way at 41B Street without being delayed by long trains and truck traffic, thanks to a newly completed overpass.

NEWS RELEASE

For Immediate Release
2011TRAN0115-001626
Dec. 20, 2011

Ministry of Transportation and Infrastructure
Transport Canada

Roberts Bank Corridor upgrades benefit communitiesand boost Asia-Pacific trade

TSAWWASSEN – Local commuters, farmers and truckers now have a safer, more reliable route to cross Deltaport Way at 41B St. without being delayed by long trains and truck traffic, thanks to a newly completed overpass.

"Demand for Canadian exports in Asia-Pacific markets continues to grow at a rapid rate, and investments such as these along the Roberts Bank Rail Corridor are furthering Canada's competitive advantages, improving infrastructure in local communities, and creating jobs and prosperity for workers, businesses and families," said the Honourable Ed Fast, Minister of International Trade and Minister for the Asia-Pacific Gateway. "With the completion of the 41B overpass and, eventually, the Roberts Bank Rail Corridor overall, we are strengthening Canada's Asia-Pacific Gateway, while positioning the West Coast as the corridor of choice between Canada and the high-growth Asia-Pacific markets."

41B is the first of nine projects completed in the $307-million Roberts Bank Rail Corridor (RBRC) Program and will ease traffic congestion in the communities of Delta and Surrey, as well as the City and Township of Langley. The RBRC program comprises eight overpasses and one railway siding in a 70-kilometre stretch that connects Roberts Bank, which contains Canada's largest container facility (Deltaport) and coal terminal (Westshore), with the North American rail network. The RBRC is expected to carry increasing volumes of goods from around the world that we use here every day, as well as Canadian exports.

"Strengthening infrastructure to get our goods and services to expanding markets in Asia and the world, is a pillar of the BC Jobs Plan," said Agriculture Minister Don McRae on behalf of Transportation and Infrastructure Minister Blair Lekstrom. "The 41B project, which created more than 150 construction jobs, supports our growing trade and improves the quality of life for local farmers and all families by providing a safer connection within the community."

The overpass will also provide improved access to the Tsawwassen First Nation Gateway Logistics centre.

"The Asia Pacific Gateway and Deltaport are key growth opportunities for Tsawwassen First Nation's new Tsawwassen Gateway Logistics Centre – which links directly to Deltaport and the South Fraser Perimeter Road system," said Chief Kim Baird of the Tsawwassen First Nation. The 41B overpass is a critical link in expediting traffic from our centre, and is a further indication of the strategic economic partnership TFN has with the B.C. government."

The RBRC Program is funded by 12 public and private partners: Transport Canada, the Ministry of Transportation and Infrastructure, TransLink, Port Metro Vancouver, the Corporation of Delta, the City of Surrey, the City of Langley, the Township of Langley, CN, CP Rail, BC Railway Company, and BNSF Railway.

The $24-million 41B Street overpass project is funded by the Ministry of Transportation and Infrastructure ($5.5 million), BC Railway Company ($12.6 million), Transport Canada ($3.5 million) and Port Metro Vancouver ($2.4 million).

"The RBRC program exemplifies the Asia Pacific Gateway strategy in action," said president and chief executive officer of Port Metro Vancouver Robin Silvester. "Working together with the federal and provincial governments, we are advancing infrastructure projects that will benefit the community, and support Canadian trade and jobs in the most sustainable way possible."

The RBRC Program is working proactively to make improvements to road and rail to accommodate increasing traffic around growing communities and ensure residents can travel through the corridor safely, with minimal delays and impacts on their quality of life. British Columbia's trade with Asia is increasing through Canada's Pacific Gateway. Pacific Gateway partners have committed $22 billion to expand and enhance port, rail, road and airport infrastructure in the Pacific Gateway to meet those growing demands.

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Learn More:

www.bcjobsplan.ca/canada-starts-here/

www.robertsbankrailcorridor.ca.

Connect with the Province of B.C. at www.gov.bc.ca/connect

A Year-end Summary Table of Expenditures Under the Agreement

Please refer to Table 3 for complete details on year-end expenditures against existing contracts, as of March 31, 2011, for each of the respective milestones:

- **Pitt River Bridge and Mary Hill Interchange**

  Three contracts have been established for a total cost of $180,000,000. A total of $180,000,000 has been expended against these three contracts (100% of the existing contracts).

- **South Fraser Perimeter Road Environmental Assessment**

  One contract has been established for a total cost of $4,000,000. A total of $4,000,000 has been expended against this one contract (100% of the existing contract).

- **Simon Fraser Bridge**

  11 contracts have been established for a total cost of $32,144,636. A total of $32,144,636 has been expended or accrued against these 11 contracts (100% of the existing contracts).

- **Highway 16: Silver Road to McBride Timber Road Passing Lane**

  One contract has been established for a total cost of $2,100,000. A total of $2,100,000 has been expended or accrued against the one contract (100% of the existing contract).

- **Highway 1: Hilltop to Balmoral**

  11 contracts has been established for a total cost of $14,440,000. A total of $14,269,880.95 has been expended or accrued against these 11 contracts (98.82% of the existing 11 contracts).

- **Highway 97: Wright Station Curves**

  One contract has been established for a total cost of $13,815,364. A total of $13,815,364 has been expended or accrued against this one contract (100% of the existing contract).

- **41B Overpass at Deltaport Way**

  Five contracts have been established for a total cost of $5,000,000. A total of $5,000,000 has been expended or accrued against the five contracts (100% of the existing five contracts).

Overall, as of the end of the fiscal year 2011/12, 33 contracts corresponding to the seven projects had been established on the on-line Surface Infrastructure System (SIS) administration system for a total cost of $251,500,000 out of a SIS-active sharable cost of $251,500,000. A total of $251,329,879 has been expended against these 33 contracts (99.93% of the existing value of the 33 contracts), with $6,036,255 claimed in the 2011/12 Fiscal Year. A yea- by-year comparison is as follows:

- 2006/07 Fiscal Year = $16,800,000
- 2007/08 Fiscal Year = $79,455,684 (including $31,619,315 Accruals)
- 2008/09 Fiscal Year = $78,263,381
- 2009/10 Fiscal Year = $52,238,385 (including $19,636,094 Accruals)
- 2010/11 Fiscal Year = $18,653,699 (including $2,972,814 Accruals)
- 2011/12 Fiscal Year = $6,036,255

Table 3

CANADA-BRITISH COLUMBIA ASIA-PACIFIC GATEWAY AND CORRIDOR INITIATIVE – TRANSPORTATION INSFRASTRUCTURE COMPONENT

2006-2007/2011-2012

Schedule of Detailed Expenditure Claims for the Year Ended March 31, 2012

Project Number	Project/Claim Description	Contract Number	Eligible Costs Claimed in 2011/12 ($)
1.1	Pitt River Bridge and Mary Hill Interchange		
	Subtotal		-
2.1	South Fraser Perimeter Road Environmental Assessment		
	Subtotal		-
3.1	Simon Fraser Bridge		
	Subtotal		-
4.1	Highway 16 – Silver Road to McBride Timber Road Passing Lane		
	Subtotal		-
5.1	Highway 1 – Hilltop Road to Balmoral		
	Functional and detailed design for project.	256CS0809	76,055
	Environmental Monitoring	256CS0923	3,101
	Environmental project coordination	256CS0976	5,473
	Geotechnical	22714_Geotech	2,136
	Pavement marking	22714_Pave_Mark	42,406
	Utilities	22714_Utilities	7,173
	Upgrade of four-lane, undivided standard highway, with improved geometry, frontage roads to provide safe access to adjacent properties and a mixture of new, grade-separated intersections and upgrades to the existing at-grade intersections with separate turning lanes for all movements.	22714MJ0001	4,046,955
		Audits	53,788
	Subtotal		**4,237,085**
6.1	Highway 97 – Wright Station Curves		
	Subtotal		-
7.1	41B Street Overpass at Deltaport Way		
	Construction supervision (Field Services Representative)	156CS0650	1,069
	Replace the at-grade crossing at 41B with a new two-lane overpass over Deltaport Way and the BC Rail line and connecting road works.	04339MJ0001	1,798,101
	Subtotal		**1,799,170**
	TOTAL		**6,036,255**

Annual Audit of Program

The audit evaluated the claims submitted for payment under the agreement to ensure that they are free of material misstatement and that they are consistent with the eligible costs requirements of the agreement. The audit was undertaken in accordance with accepted auditing standards such as the rules of the Canadian Institute of Chartered Accountants by an independent certified chartered accountant (CA). The audit was conducted by the Office of Auditor General of BC.

INDEPENDENT AUDITOR'S REPORT

To the Management Committee of the Canada – British Columbia Asia – Pacific Gateway and Corridor Initiative Transportation Infrastructure Component, 2006 – 2007 / 2013 – 2014:

I have audited the accompanying Schedule of Detailed Expenditure Claims for the year ended March 31, 2012 and a summary of significant accounting policies and other explanatory information (together "the schedule"). The schedule has been prepared by management of the British Columbia Ministry of Transportation and Infrastructure using the basis of accounting described in Note 3.

Management's Responsibility for the Schedule

Management is responsible for the preparation of the schedule in accordance with the basis of accounting as described in Note 3; this includes determining that the applicable financial reporting framework is acceptable to the preparation of the schedule in the circumstances, and for such internal control as management determines, is necessary to enable the preparation of a schedule that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on the schedule based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the schedule is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the schedule. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the schedule, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the schedule in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the schedule.

In my view, the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the Schedule of Detailed Expenditure Claims for the year ended March 31, 2012 is prepared, in all material respects, in accordance with the basis of accounting as described in Note 3.

Basis of Accounting and Restriction on Use

Without modifying my opinion, I draw your attention to Note 3 to the schedule, which describes the basis of accounting. The schedule is prepared to assist the Government of British Columbia to meet the reporting requirements of the Government of Canada as specified in the agreement. As a result, the statement may not be suitable for another purpose. My report is intended solely for the Government of British Columbia and Government of Canada and should not be used by parties other than the Government of British Columbia and the Government of Canada.

Victoria, British Columbia
July 27, 2012

John Doyle, MAcc, CA
Auditor General

CANADA - BRITISH COLUMBIA ASIA-PACIFIC GATEWAY AND CORRIDOR INITIATIVE
TRANSPORTATION INFRASTRUCTURE COMPONENT
2006-2007 / 2010-2011

Schedule of Detailed Expenditure Claims
For the Year Ended March 31, 2012

Project Number	Project/Claim Description	Contract Number	Eligible Costs Claimed in 2011/12 ($)
1.1	**Pitt River Bridge and Mary Hill Interchange**		
	Sub-total		-
2.1	**South Fraser Perimeter Rd Environmental Assessment**		
	Sub-total		-
3.1	**Simon Fraser Bridge**		
	Sub-total		-
4.1	**Hwy 16 - Silver Rd to McBride Timber Rd Passing Lane**		
	Sub-total		-
5.1	**Hwy 1 - Hilltop Rd to Balmoral**		
	Functional and Detailed design for project.	256CS0809	76,055
	Environmental monitoring	256CS0923	3,101
	Environmental project coordination	256CS0976	5,473
	Geotechnical	22714_Geotech	2,136
	Pavement marking	22714_Pave_Mark	42,406
	Utilities	22714_Utilities	7,173
	Upgrade of four lane undivided standard highway with improved geometry, frontage roads to provide safe access to adjacent properties and a mixture of new grade separated intersections and upgrades to the existing at-grade intersections with separate turning lanes for all movements.	22714MJ0001	4,046,955
		Audits	53,788
	Sub-total		**4,237,085**
6.1	**Hwy 97 - Wright Station Curves**		
	Sub-total		-
7.1	**41B Street Overpass at Deltaport Way**		
	Construction supervision (Field Services Representative)	156CS0650	1,069
	Replace the at-grade crossing at 41B Street with a new two-lane overpass over Deltaport Way and the BC Rail line and connecting road works.	04339MJ0001	1,798,101
			1,799,170
	TOTAL		6,036,255

Approved by:

David Marr
Executive Director
Program Development and Monitoring

Dave Stewart
Chief Financial Officer
Finance and Management Services

CANADA-BRITISH COLUMBIA
ASIA-PACIFIC GATEWAY AND CORRIDOR INITIATIVE
TRANSPORTATION INFRASTRUCTURE COMPONENT
2006-2007/2010-2011

Notes to the Schedule of Detailed Expenditure Claims
For the Year Ended March 31, 2012

1. Nature of the Agreement

The Government of Canada and the Province of British Columbia entered into the *Asia-Pacific Gateway and Corridor Initiative, Transportation Infrastructure Component Agreement, 2006-2007/2010-2011* ("the Agreement") on January 11, 2007. The Agreement has been amended to extend the program to March 31, 2014.

The purpose of this Agreement is to improve the multimodal transportation network for the movement of international trade in British Columbia through a 50/50 cost sharing agreement for eligible costs to a maximum of $126.75 million.

2. Costs

Eligible Costs:

The Agreement specifies "Eligible Costs" in Schedule C – Project Review and Selection Framework, at paragraph C.2.1. Within certain restrictions, also specified in the Agreement, these include:

a) *Capital costs, as defined and determined according to generally accepted accounting principles, and relating to the construction, rehabilitation or improvement of highways, roads, bridges, multi-modal facilities, grade crossings/separations, ITS and any other infrastructure project that meet the above selection criteria;*
b) *Costs related to signage, lighting, highway markings and utility adjustments;*
c) *The costs of communication activities (press releases, press conferences, translation, etc.) and road signage recognition set out in the Communication Protocol that will form part of the agreement;*
d) *All planning (including plans and specifications) and evaluation costs specified in the agreement such as the costs of environmental planning, surveying, engineering, architectural, supervision, testing and management consulting services, to a maximum of 15% eligible costs;*

e) *The costs of engineering and environmental reviews, including environmental assessments and follow-up programs as defined in the Canadian Environmental Assessment Act and the costs of remedial activities, mitigation measures and follow-up identified in any environmental assessment;*

f) *The costs of developing and implementing innovative techniques for carrying out the Project;*

g) *Recipient audit and evaluation costs as specified in the agreement;*

h) *Compensation, at the discretion of Canada, to unsuccessful bidders on Public, Private Partnerships and other alternatively financed projects, with significant bid related costs, where the bid material has become the intellectual property of the recipient;*

i) *Other costs that, in the opinion of Canada, are considered to be direct and necessary for the successful implementation of the Project and have been approved in writing prior to being incurred.*

Ineligible Costs:

The Agreement specifies "Ineligible Costs" in Schedule C – Project Review and Selection Framework, at paragraph C.3.1. as:

a) *Costs incurred prior to the final federal project approval (approval by the responsible Ministers for the TIF, i.e., Minister of Transport, Infrastructure and Communities, in consultation with the Minister for Pacific Gateway, subject to Treasury Board approvals as required) and after the agreement termination date;*

b) *The cost of developing a proposal;*

c) *The cost of purchasing land, associated real estate and other fees, financing charges and interest payments on loans;*

d) *Leasing land, buildings, and other facilities;*

e) *Provincial sales tax and the Goods and Services Tax for which the recipient or a third party is eligible for a tax rebate and all other costs eligible for rebates;*

f) *Costs that have been shared under other federal statutes or programs;*

g) *Legal fees;*

h) *General repairs and maintenance of a project work and related structures;*

i) *Services or works normally provided by the Ministry of Transportation of a Province incurred in the course of implementation of the Project except those specified as eligible costs;*

j) *Employee wages and benefits, overhead costs as well as other direct or indirect operating, maintenance and administrative costs of British Columbia and more specifically these costs as related to survey, engineering, architecture, supervision, management and other services provided, or contracted for, by British Columbia's permanent staff.*

3. Basis of Accounting and Accounting Policies

The Schedule of Detailed Expenditure Claims has been prepared in accordance with Canadian generally accepted accounting principles. Expenditures are recorded at cost on an accrual basis. Costs are net of any recoveries and GST/HST.

The Eligible Costs Claimed in 2011/2012 represents the actual value of claims submitted to the Federal Government during the 2011/2012 fiscal year. This may include eligible expenses incurred in fiscal 2007/2008, 2008/09, 2009/2010 or 2010/11 that were submitted for reimbursement during fiscal 2011/2012.

Canada
British Columbia
Asia-Pacific Gateway
Corridor Transportation
Infrastructure Fund

ANNUAL REPORT 2011/12

Fiscal Year Ended March 31, 2012

Ministry of
Transportation
and Infrastructure

Transport
Canada

Transports
Canada